

CONFIDENTIAL

Chrous

4 AUG 1950

OMB Waiver Letter In ERU File

**MEMORANDUM FOR: DIRECTOR, FOREIGN ACTIVITIES OFFICE
NATIONAL SECURITY RESOURCES BOARD**

SUBJECT : Status Report on NSC Action No. 282

1. This office has undertaken the following action with respect to subject directive:

a. Requirements

(1) The field of foreign economic intelligence requirements has been broken down into two parts, namely, requirements for collection action and requirements for intelligence production. With respect to the former, an outline has been prepared and has been circulated within the Central Intelligence Agency for review and amendment prior to external coordination with other intelligence collection, source exploitation and production facilities of the government.

(2) Requirements for economic intelligence production are in a stage of formulation within the Central Intelligence Agency by the several components, both regional and functional. In order to facilitate this action, an Economic Coordination Committee has been established within the Central Intelligence Agency which will be responsible for the internal processing of both collection and production requirements. It is estimated that internal Central Intelligence Agency action on both the collection and production requirements will have been completed by 1 September 1950. It is planned to accomplish external coordination of these requirements with both intelligence using and producing agencies simultaneously.

b. Survey of Facilities and Arrangements

(1) This office has been cooperating with the Bureau of the Budget on that portion of the survey concerned with problems arising out of economic reporting undertaken by the foreign service. By mutual agreement, the Central Intelligence Agency will not approach agencies other than those in the Department of Defense until the Bureau of the Budget has completed its survey of the foreign service and its survey of the distribution of commodity specialists throughout the federal government. The Bureau of the Budget has agreed that it will lend its support and resources to

CONFIDENTIAL

~~CONFIDENTIAL~~

the Central Intelligence Agency to complete whatever additional survey actions are required to meet the terms of the subject directive as soon as the two above-mentioned surveys have been completed.

(2) The Central Intelligence Agency's economic specialists have participated with the Bureau of the Budget in the foreign service economic reporting survey and are awaiting word from the Bureau of the Budget to participate in the final round-up of conclusions reached in this process. The target date for completion of this phase of the survey has been established by the Bureau of the Budget as being 31 August 1950.

(3) The Central Intelligence Agency has conferred with representatives from the Office, Secretary of Defense, the Munitions Board, the Research and Development Board, and the intelligence divisions of Army, Navy, and Air Force, who have accepted responsibility for the conduct of the survey within their respective agencies. Preliminary reports have been submitted by each representative with the exception of Intelligence Division, Army, and are being reviewed to determine their adequacy as a basis for inclusion in the final report. It should be noted, however, that this survey merely comprises the factual data, and action with respect to determinations of the adequacy of facilities and arrangements can proceed only subsequent to the final coordination of the intelligence collection and production requirements.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

S/PP
[REDACTED]/peb 25X1A9a
3 August 1950

(5)
THEODORE BARBETT
Assistant Director
Reports and Estimates

Distribution:
Addressee - Original & 1
AD/ORE - 2
S/PP - 2
D/Ec - 1
Central Records - 1

~~CONFIDENTIAL~~